

# SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104526; File No. SR-IEX-2025-38]

## **Self-Regulatory Organizations; Investors Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the Certificate of Incorporation of the Exchange’s Parent Company, IEX Group, Inc., to Update Certain Ownership and Voting Restrictions**

December 30, 2025.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (“Act”)<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that on December 19, 2025, the Investors Exchange LLC (“IEX” or the “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

### **I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change**

Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Act”),<sup>4</sup> and Rule 19b-4 thereunder,<sup>5</sup> the Exchange is filing with the Commission a proposed rule change to amend the certificate of incorporation (defined below) of the Exchange’s parent company, IEX Group, Inc. (“IEXG” or “Group”) to update certain ownership and voting restrictions to align them with the equivalent provisions in the corporate governance documents

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>4</sup> 15 U.S.C. 78s(b)(1).

<sup>5</sup> 17 CFR 240.19b-4.

of other national securities exchanges.

The Exchange has designated this proposal as non-controversial and provided the Commission with the notice required by Rule 19b-4(f)(6)(iii) under the Act.<sup>6</sup>

The text of the proposed rule change is available at the Exchange's website at <https://www.iexexchange.io/resources/regulation/rule-filings> and at the principal office of the Exchange.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend IEXG's Third Amended and Restated Certificate of Incorporation (the "Charter")<sup>7</sup> to reflect amendments that were approved by both the Group Board and Exchange Board in accordance with the terms of the Charter and Delaware law. Subject to this rule filing, these amendments would update certain of the Charter's provisions regarding ownership restrictions and the allocation of voting power of Group shareholders to

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<sup>6</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>7</sup> Group governance documents, including the Charter, are accessible on the Group website at <https://www.iex.io/legal/governance>. These documents are also accessible on the Exchange's website at <https://www.iexexchange.io/resources/regulation/governance>.

better align those sections of the Charter with the equivalent provisions in the corporate governance documents of other national securities exchanges. Specifically, as described below, these proposed amendments to the Charter would apply Group’s ownership restrictions to owners of all classes of Group stock (instead of on a per-class basis as is currently done) and would provide for the pro rata allocation of voting power among other shareholders if one or more shareholder’s ownership interest exceeds the 20% cap on voting power set forth in the Charter.

### Background

IEXG is a Delaware corporation organized under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the “General Corporation Law”).

Amendments to the Charter that must be filed with the Commission shall only be effective if the amendments are submitted to the Exchange’s Board of Directors, and if the amendments are “filed with or filed with and approved” by the Commission pursuant to Section 19 of the Act.<sup>8</sup>

As noted in Item 2, supra, both the Group and Exchange Boards have approved these proposed amendments, which IEX now files with the Commission so that IEXG may effectuate the proposed changes to the Charter.

IEXG issues two classes of stock: “Common Stock” and “Preferred Stock.”<sup>9</sup> Holders of Common Stock are entitled to one vote for each share.<sup>10</sup> The same is true for holders of each of the three series<sup>11</sup> of Preferred Stock.<sup>12</sup>

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<sup>8</sup> See Article NINTH of the Charter.

<sup>9</sup> See Article FOURTH of the Charter (specifying that IEXG can issue up to 11,000,000 shares of common stock with a par value of \$0.01 per share (“Common Stock”) and up to 5,020,882 shares of preferred stock with a par value of \$0.01 per share (“Preferred Stock”).

<sup>10</sup> See Article FOURTH, Section A.1 of the Charter.

<sup>11</sup> See Article FOURTH, Section B. of the Charter.

<sup>12</sup> Calculating the voting power of holders of Preferred Stock requires determining the number of Common

The Charter currently limits ownership of IEXG stock such that no Person<sup>13</sup>, either alone or together with its Related Persons<sup>14</sup>, “may own ... shares constituting more than forty percent (40%) of any class of capital stock of the Corporation.”<sup>15</sup> The Charter imposes a stricter ownership limitation for any Exchange Members<sup>16</sup>, who, either alone or together with their Related Persons, may not own more than twenty percent (20%) of any class of capital stock in the Corporation.<sup>17</sup>

Furthermore, the Charter limits the amount of voting power that may be exercised by any Person, either alone or together with its Related Persons.<sup>18</sup> Specifically, there is a limitation against any Person, either alone or together with its Related Persons, voting or causing the voting of shares of the capital stock of Group that represent more than twenty percent (20%) of the voting power of the issued and outstanding capital stock of Group.<sup>19</sup> Thus, a non-Member shareholder may own up to 40% of any class of the capital stock of Group, but that shareholder may only vote up to 20% of its shares.

As described below, IEX believes that the proposed changes to the Charter that are the

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Shares into which their Preferred Stock shares are convertible. See Article FOURTH, Section B.3.1 of the Charter. Because all Preferred Stock is convertible to Common Stock on a one-to-one basis, each share of Preferred Stock entitles its owner to one vote. See Article FOURTH, Section B.4.1 of the Charter.

<sup>13</sup> “Person” is defined as “a natural person, partnership, corporation, limited liability company, entity, government, or political subdivision, agency or instrumentality of a government.” See Article TENTH, Section A.1 of the Charter.

<sup>14</sup> “Related Persons” is broadly defined to include any “affiliate” of a Person (as such term is defined in Rule 12b-2 under the Act), as well as officers and directors of a corporation, and the immediate family members of any affiliated persons. See Article TENTH, Section A.2 of the Charter.

<sup>15</sup> See Article TENTH, Section B.1.1 of the Charter.

<sup>16</sup> See IEX Rule 1.160(s).

<sup>17</sup> See Article TENTH, Section B.1.2 of the Charter.

<sup>18</sup> See Article TENTH, Section B.1.3 of the Charter.

<sup>19</sup> Id.

subject of this rule filing are fully consistent with the Commission’s approval of IEX<sup>20</sup>, as well as ownership and voting limitations recently approved by the Commission for other national securities exchanges.

## Proposal

### A. Ownership Restrictions

In the past year, the Commission approved the applications for registration as a national securities exchange of the 24X National Exchange LLC (“24X”) and the Texas Stock Exchange LLC (“TXSE”).<sup>21</sup> Both the 24X and TXSE Approval Orders note that the charter for the holding company that owns the exchange includes restrictions on the ability to own and vote shares of stock or ownership units (collectively referred to herein as “shares”).<sup>22</sup> The ownership restrictions contained in the 24X and TXSE charters are nearly identical to the restrictions in the IEXG Charter described above, with one notable exception: the charters do not restrict ownership based upon class of shares, but rather impose the ownership limitations on an aggregate basis across all outstanding shares.<sup>23</sup>

24X and TXSE both issue multiple classes of shares, with some being “preferred” and others being “common.”<sup>24</sup> Because of how the 24X and TXSE Charters are worded, unless

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<sup>20</sup> See Securities Exchange Act Release No. 78101 (June 17, 2016), 81 FR 41142, 41145-41146 (June 23, 2016) (File No. 10-222) (“IEX Approval Order”).

<sup>21</sup> See Securities Exchange Act Release No. 101777 (November 27, 2024), 89 FR 97092 (December 6, 2024) (File No. 10-242) (“24X Approval Order”) and Securities Exchange Act Release No. 104146 (September 30, 2025), 90 FR 47880 (October 2, 2025) (File No. 10-249) (“TXSE Approval Order”).

<sup>22</sup> See 24X Approval Order, supra note 21, at 97095-96 and TXSE Approval Order, supra note 21, at 47883-84.

<sup>23</sup> See Articles 9.2(a)(i) and 9.2(a)(ii) of the Third Amended and Restated Limited Liability Company Operating Agreement of 24X Bermuda Holdings LLC (“24X Charter”), available at <https://equities.24exchange.com/api/media/file/24X%20Bermuda%20Holdings%20LLC%203rd%20A%26R%20LLC%20Agreement.pdf> and Article SEVENTH, Sections (b)(i)(A) and (b)(i)(B) of the Fourth Amended and Restated Certificate of Incorporation of TXSE Group Inc. (“TXSE Charter”), available at <https://www.sec.gov/files/rules/other/2025/txse-form-1-exhibit-c-1a.pdf>.

<sup>24</sup> See Article 4.1 of the of the 24X Charter and Article FOURTH, Sections (a)(i) and (a)(ii) of the TXSE

otherwise approved by the Commission, a single person or entity (who is not a member of the exchange) could own more than 40% of one or more classes of shares, so long as it does not own more than 40% in the aggregate across all then-outstanding shares.<sup>25</sup>

As noted above, IEXG currently restricts ownership of the capital stock of IEXG such that no Person, alone or together with any Related Persons, may own more than 40% “of any class of capital stock of the Corporation.”<sup>26</sup> IEX now proposes to modify its ownership restrictions to match those in the 24X and TXSE Charters, such that no Person, alone or together with any Related Persons, may own more than 40% of the Corporation’s capital stock in the aggregate, unless otherwise approved by the Commission. Under this proposal, a Person, alone or together with any Related Persons, could own more than 40% of a class of Group stock, provided that the Person does not own more than 40% of the total outstanding shares of all capital stock of the Corporation.<sup>27</sup> This change to the Charter would allow Group shareholders to have more flexibility with respect to the classes of stock they may acquire in line with ownership restrictions imposed upon other national securities exchanges, and would provide for Commission prior approval to the extent IEX seeks in the future a waiver of such restrictions.

Similarly, IEX proposes to modify the ownership restrictions for Exchange Members to be consistent with the proposed ownership restrictions for non-Members. As proposed, Exchange

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Charter, supra note 23. 24X issues preferred and common “units” to its owners, while TXSE, like IEX, issues preferred and common “shares” to its owners. For the purposes of this filing, there is no functional difference between units and shares of stock.

<sup>25</sup> The 24X Approval Order noted that at the time of its approval, the exchange’s CEO, together with his Related Persons, owned more than 40% of the then-outstanding units of the holding company; the Commission granted a temporary exemption to the ownership and voting restrictions to allow 24X “to bring its ownership and voting structure in line with the ownership and voting restrictions upon SEC approval.” See 24X Approval Order, supra note 21, at 97097-98.

<sup>26</sup> See supra note 15.

<sup>27</sup> The preferred stock votes on a one-to-one basis with the common stock. Thus, aggregate ownership will be measured on a share-by-share basis.

Members would be able to own more than 20% of a class of the capital stock of the Corporation while continuing to be subject to an ownership restriction that they cannot own more than 20% of the total outstanding shares of all capital stock of the Corporation.

To effect this change, IEX proposes to amend the Charter as follows:

- Amend Article TENTH, Section B.1.1 to replace the words “of any class of” that immediately precede “capital stock” with the words “of the.” This section will now read in full: “No Person, either alone or together with its Related Persons, may own, directly or indirectly, of record or beneficially, shares constituting more than forty percent (40%) of the capital stock of the Corporation;”
- Amend Article TENTH, Section B.1.2 to replace the words “of any class of” that immediately precede “capital stock” with the words “of the.” This section will now read in full: “No Exchange Member, either alone or together with its Related Persons, may own, directly or indirectly, of record or beneficially, shares constituting more than twenty percent (20%) of the capital stock of the Corporation;”
- Amend the first sentence of Article TENTH, Section B.4 to replace the words “of any class of” that immediately precede “capital stock” with the words “of the.” The relevant section of the sentence will now read: “any Person that either alone or together with its Related Persons proposes to own, directly or indirectly, of record or beneficially, shares of the capital stock of the Corporation constituting more than forty percent (40%) of the outstanding shares of the capital stock of the Corporation”

#### B. Voting Restrictions

As noted above, although a Person, alone or together with its Related Persons, may own more than 20% of outstanding shares of Group stock, that Person may not “vote or cause the voting of shares of the capital stock of the Corporation ... representing more than twenty percent (20%) of the voting power of the then issued and outstanding capital stock of the Corporation.”<sup>28</sup>

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<sup>28</sup> See supra note 18. Article TENTH Section B.1.3 reads in full:

No Person, either alone or together with its Related Persons, at any time may, directly, indirectly or pursuant to any voting trust, agreement, plan or other arrangement, vote or cause the voting of shares of the capital stock of the Corporation or give any consent or proxy with respect to shares representing more than twenty percent (20%) of the voting power of the then issued and outstanding capital stock of the Corporation, nor may any Person, either alone or together with its Related Persons, enter into any agreement, plan or other arrangement with any other Person, either alone or together with its Related Persons, under circumstances that would result in the shares of capital stock of the Corporation that are

However, the Charter does not specify how excess shares are to be treated in calculating voting power when the 20% voting limitation applies.

Accordingly, IEX proposes to add a new subsection B.1.3.1 to Article TENTH, Section B.1.3 of the Charter (which addresses the voting limitations). This new subsection will introduce a defined term, “Voting Limitation”, and enumerate what happens when one or more shareholders’ ownership interest exceeds the Voting Limitation. Should that occur, the new subsection of the Charter specifies that any votes in excess of the Voting Limitation shall be automatically and proportionally redistributed among the remaining stockholders entitled to vote on such matter. Further, if, as a result of such redistribution, any other stockholder would exceed the Voting Limitation, the same adjustment and redistribution procedure shall be applied successively until no stockholder exceeds the Voting Limitation.<sup>29</sup> Finally, the subsection clarifies that the pro rata allocation of voting power will be automatic and self-executing, although the Group Board may adopt any procedures it deems advisable to implement this provision of the Charter in a fair and equitable manner.

The proposed pro rata allocation of voting power described above is substantively identical to provisions in the BOX Exchange LLC (“BOX”) Charter, which also provides for a pro rata voting adjustment (referred to as a Voting Units Adjustment) if a BOX holder’s economic interest in BOX exceeds its voting ownership limit.<sup>30</sup> The BOX Charter, like the

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subject to such agreement, plan or other arrangement not being voted on any matter or matters or any proxy relating thereto being withheld, where the effect of such agreement, plan or other arrangement would be to enable any Person, either alone or together with its Related Persons, to vote, possess the right to vote or cause the voting of shares of the capital stock of the Corporation which would represent more than twenty percent (20%) of said voting power.

<sup>29</sup> See *supra* note 27 explaining that preferred stock series vote on a one-to-one basis with the common stock.

<sup>30</sup> See Section 7.3(g)(ii) of BOX Second Amended and Restated Limited Liability Company Agreement (“BOX Charter”), available at <https://boxexchange.com/assets/BOX-Exchange-Second-Amended-and-Restated-LLC-Agreement-as-amended-through-Amendment-No-2-230227.pdf>



proposed changes to the Group Charter, also provides that the Voting Units Adjustment would occur in an automatic manner.<sup>31</sup>

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>32</sup> in general, and furthers the objectives of Section 6(b)(1) of the Act in particular,<sup>33</sup> in that it continues to assure that the Exchange is so organized as to have the capacity to be able to carry out the purposes of the Act and to comply, and to enforce compliance by its Exchange members and persons associated with its Exchange members, with the provisions of the Exchange Act, the rules and regulations thereunder, and the rules of the Exchange.

The Exchange also believes that the proposed rule change is consistent with Section 6(b)(5) of the Act<sup>34</sup> in that it is intended to, inter alia, promote just and equitable principles of trade, foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, protect investors and the public interest. Additionally, the proposed amendments are not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

As noted in the Purpose section, changing the existing ownership limitations to apply on an aggregate basis across the outstanding shares of the Company's stock, rather than on a class-by-class basis, is designed to provide more flexibility to IEXG and its shareholders as to how

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<sup>31</sup> Id.

<sup>32</sup> 15 U.S.C. 78f(b).

<sup>33</sup> 15 U.S.C. 78f(b)(1).

<sup>34</sup> 15 U.S.C. 78f(b)(5).

they allocate ownership of various classes of stock while continuing to apply the existing ownership limitations, in a manner consistent with the Commission’s approval of IEX and of other national securities exchanges. The Exchange believes that the proposed amendments thereby fulfill the goals of Section 6(b) of the Act<sup>35</sup> in that they are designed to promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and national market system, and in general operate to protect investors and the public interest. Moreover, the proposed amendments to the Group Charter are consistent with those of other national securities exchanges, as discussed in the Purpose section.<sup>36</sup>

Further, as discussed in the Purpose section, IEX believes that the proposed pro rata allocation of voting interests when one or more non-Member shareholders own more than 20% of Group is consistent with Section 6(b)(1)<sup>37</sup> of the Act in that this approach will continue to assure that the Exchange is so organized as to have the capacity to be able to carry out the purposes of the Act and to comply, and to enforce compliance by its Exchange members and persons associated with its Exchange members, with the provisions of the Exchange Act, the rules and regulations thereunder, and the rules of the Exchange.

Significantly, the Commission recently considered and approved the identical type of ownership restrictions in the TXSE and 24X exchange applications.<sup>38</sup> And the Commission considered and approved functionally identical reallocation of voting power provisions in the BOX Charter.<sup>39</sup>

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<sup>35</sup> 15 U.S.C. 78f(b).

<sup>36</sup> See supra note 21.

<sup>37</sup> 15 U.S.C. 78f(b)(1).

<sup>38</sup> See supra notes 21, 24.

<sup>39</sup> See supra note 30.

In conclusion, based on the foregoing, IEX believes that the proposed Charter amendments are consistent with the investor protection and public interest purposes of the Act because they are designed to continue to apply appropriate ownership and voting limitations on Group shareholders, in a manner comparable to other national securities exchanges, and thus do not raise any new or novel issues that have not already been considered by the Commission.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act. The proposed amendments are concerned solely with the corporate governance of Group, the Exchange's parent corporation, and do not present any issues that impact competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Pursuant to Section 19(b)(3)(A) of the Act<sup>40</sup> and Rule 19b-4(f)(6)<sup>41</sup> thereunder, the Exchange has designated this proposal as one that effects a change that: (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.<sup>42</sup>

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<sup>40</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>41</sup> 17 CFR 240.19b-4(f)(6).

<sup>42</sup> In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)<sup>43</sup> permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requested that the Commission waive the 30-day operative delay. The Exchange asserts that this proposal does not raise any novel legal or regulatory issues, and it states that waiver of the operative delay would enable a board meeting with a stockholder vote reflecting the revised provisions within the next 30 days. As such, the Commission believes that it is consistent with the protection of investors and the public interest for the Exchange to implement this proposal prior to 30-days from the date of filing. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposed rule change operative upon filing.<sup>44</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

##### Electronic Comments:

- Use the Commission's internet comment form (<https://www.sec.gov/rules/sro.shtml>); or

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<sup>43</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>44</sup> For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-IEX-2025-38 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-IEX-2025-38. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All

submissions should refer to file number SR-IEX-2025-38 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>45</sup>

**Sherry R. Haywood,**  
*Assistant Secretary.*

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<sup>45</sup> 17 CFR 200.30-3(a)(12).